

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

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**Douglas G. and Rebecca J. Bruce,**  
Appellants,

**v.**

**Black Hawk County Board of Review,**  
Appellee.

**ORDER**

**Docket No. 13-07-0356**  
**Parcel No. 8913-19-452-002**

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On December 13, 2013, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) (2013) and Iowa Administrative Code rules 701-71.21(1) et al. Appellants Douglas and Rebecca Bruce were self-represented and requested a written consideration. Assistant County Attorney David J. Mason represented the Black Hawk County Board of Review. The Appeal Board now, having examined the entire record and being fully advised, finds:

***Findings of Fact***

Douglas and Rebecca Bruce are the owners of residentially classified property located at 2017 Valley High Drive, Cedar Falls, Iowa. The Bruces' property is a split-level, frame home built in 1961 with 1224 square feet of above grade finish. There is also a full basement with 950 square feet of living-quarter finish, a concrete patio, and a 480 square-foot attached garage. The site is 0.351 acres.

The January 1, 2013, assessed value was \$177,750, allocated as \$31,750 in land value and \$146,000 in dwelling value. The Bruces protested to the Board of Review claiming the property was inequitably assessed under Iowa Code section 441.37(1)(a)(1). The Board of Review denied the petition. They then appealed to this Board reasserting their claim and state the property's correct assessed value is \$145,000.

The Bruces listed four equity comparables on their petition. They provided a printout for each property detailing the assessment information, as well as a black and white photo of each property. A summary of the information follows.

Address	2013 Total Assessed Value	Year Built	Living Area	Basement Finish	Sale Price	Sale Date
Subject	\$177,570	1961	1224	950	N/A	N/A
3106 W 4th St	\$131,220	1962	1224	525	154,500	Mar-13
132 Park Ln	\$139,140	1961	1226	500	N/A	N/A
319 Devonshire Dr	\$158,680	1962	1224	475	176,500	Nov-12
202 Oakwood Dr	\$128,770	1965	1249	500	N/A	N/A

The Bruces stated Speer Construction built all of the properties; and they have identical floor plans and square-footage compared to the subject. We note that while the main level finish is nearly identical for all the properties, none of comparable properties has a similar amount of basement finish as the subject property. This element aside, we find the improvements of the comparables are sufficiently similar to the subject; but County Assessor Tami McFarland asserts the properties are not located in the same area as the subject. The record indicates the properties are located from four to fifteen miles from the subject property. The property located at 202 Oakwood Drive is in Evansdale, and the other three properties the Bruces submitted are located in Waterloo. While McFarland asserts the “sales market is not the same in all locations of Black Hawk County due to many variables” she does not explain what, if any, value differences exist between these locations and the subject property. Therefore, we are unable to determine if this factor renders the properties dissimilar for an equity analysis.

Regardless, an equity analysis typically compares *prior year sale prices* (2012 sales in this case) or established market values to the *current year’s assessment* (2013 assessment) to determine the assessment/sales price ratio. As a result, we do not find the March 2013 sale of 3106 W 4th Street relevant to the Bruces’ equity claim. The remaining 2012 sale (319 Devonshire Drive) has an assessment/sale price ratio of roughly 0.90. A ratio of 0.90 suggests 319 Devonshire is assessed

roughly 10 percent below its fair market value. However, an equity analysis requires more than one comparable property.

Further, the Bruces did not establish the subject property's fair market value. Although they assert the subject's correct assessed value is \$145,000, it is unclear how they arrived at that conclusion. Establishing the subject's actual fair market value is an evidentiary requirement to succeed in an equity claim.

Lastly, the Bruces did not make any assertions that the assessor applied an assessing method in a non-uniform manner to similarly situated or comparable properties.

### ***Conclusion of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. This Board is an agency and the provisions of the Administrative Procedure Act apply. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review, but considers only those grounds presented to or considered by the Board of Review. §§ 441.37A(3)(a); 441.37A(1)(b). New or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the

property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709 (Iowa 1965). The six criteria include evidence showing

“(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination.”

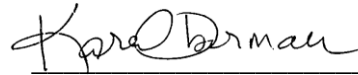
*Id.* at 711. The *Maxwell* test provides that inequity exists when, after considering the actual and assessed values of comparable properties, the subject property is assessed at a higher proportion of this actual value. *Id.* The *Maxwell* test may have limited applicability now that current Iowa law requires assessments to be at one hundred percent of market value. § 441.21(1). Nevertheless, in some rare instances, the test may be satisfied.

As previously stated, an equity analysis typically compares *prior year sale prices* (2012 sales in this case) or established market values to the *current year's assessment* (2013 assessment) to determine the assessment/sales price ratio. Here, the Bruces offered four properties, two of which recently sold. Although the Assessor asserts the properties are not similar because of location, we found there was no evidence in the record indicating how the location difference affected values to disqualify their use in an equity analysis.

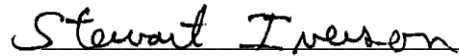
Of the two sales, we found the 2013 sale was not relevant because it sold after the assessment date. The remaining property sold for more than its assessed value, which indicates that property is under-assessed. Even so, the *Maxwell* test requires more than one comparable property to establish inequity. Further, the Bruces did not establish the market value of the subject property for comparison. Finally, the Bruces did not assert that the assessor failed to apply an assessing method uniformly to similarly situated or comparable properties. For these reasons, we find the Bruces failed to prove inequity under either legal test.

THE APPEAL BOARD ORDERS the 2013 assessment of Douglas and Rebecca Bruce's property located at 2017 Valley High Drive, Cedar Falls, Iowa, as set by the Black Hawk County Board of Review is affirmed.

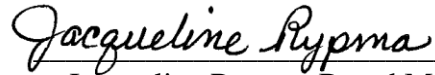
Dated this 14th day of January, 2014.



Karen Oberman, Presiding Officer



Stewart Iverson, Board Chair



Jacqueline Rypma, Board Member

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